INCLASSIFIED

INT 541/1 #12

OFFICE OF STRATEGIC SERVICES WASHINGTON, D. C.



29 August 1945

Mr. Harold D. Smith, Director Bureau of the Budget Executive Office of the President Washington, D. C.

My dear Lr. Smith:

In the interest of economy, both of personnel and of funds, it is essential that, subject to executive approval, we put into effect at once the plan that I recited to you in my letter of August 25th.

I have asked ir. Ream to take up with your office the details of proposed liquidation as found in the attached paper. I would greatly appreciate your help.

Sincerely,

William J. Donovan

Director

INT 541/2

OFFICE OF STRATEGIC SERVICES WASHINGTON, D. C.



GENERAL OTHER

HULBER:

29 August 1945 ISSUE:

ETTEUTIVE: 27 August 1945

TO:

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LIST S

SUBJECT: Liquidation of OSS

- 1. Effective immediately, the Office of Strategic Services will commence to liquidate all functions and activities. Such liquidation will be accomplished as completely as practicabl not later than on or about 1 January 1946, at which time all such functions and activities will cease and all outstanding commitments and obligations will be cancelled so far as may be permitted by law.
- There is hereby created a Committee on Liquidation which shall be charged with responsibility for the following:
 - (a) Subject to the approval of the Director, establishing, coordinating and implementing an orderly and expeditious liquidation program;
 - (b) Insuring that the several branches promptly establish a workable liquidation schedule and that such schedule is adhered to;
 - (c) Insuring that all outstanding commitments and obligations are terminated as soon as possible;
 - (d) Generally supervising all phases of the liquidation of the agency's affairs and making recommendations thereon to the Director wherever the Committee shall deen advisable.

- 3. The current reduction in force program of this agency, made necessary by the reduced 1540 budget, will cease on 31 August 1545. Thereafter all terminations of Jivil Service employees will be made solely in accordance with the special rules of the Jivil Service Jommission applicable to separation of employees on account of liquidation. Such rules shall also apply so far as possible to employees occupying excepted position
- 4. The Chief, Personnel Branch, will be responsible for the following:
 - (a) Insuring that all applicable rules and regulations are complied with and that no employee with veteran preference is separated before an employee without veteran preference where their positions are immediately interchangeable;
 - (b) Within policies established by the Director and the Committee on Liquidation, fixing the time for individual separation actions, both civilian and military, to be taken, and for carrying through all such actions.

William 6. Donovan
Director



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